



Early Journal Content on JSTOR, Free to Anyone in the World

This article is one of nearly 500,000 scholarly works digitized and made freely available to everyone in the world by JSTOR.

Known as the Early Journal Content, this set of works include research articles, news, letters, and other writings published in more than 200 of the oldest leading academic journals. The works date from the mid-seventeenth to the early twentieth centuries.

We encourage people to read and share the Early Journal Content openly and to tell others that this resource exists. People may post this content online or redistribute in any way for non-commercial purposes.

Read more about Early Journal Content at <http://about.jstor.org/participate-jstor/individuals/early-journal-content>.

JSTOR is a digital library of academic journals, books, and primary source objects. JSTOR helps people discover, use, and build upon a wide range of content through a powerful research and teaching platform, and preserves this content for future generations. JSTOR is part of ITHAKA, a not-for-profit organization that also includes Ithaka S+R and Portico. For more information about JSTOR, please contact support@jstor.org.

Sales—Statutes Regulating Sales of Goods in Bulk—Constitutionality.—A recent decision by the Supreme Court of Oklahoma¹ has affirmed the constitutionality of a statute regulating the sale of goods or merchandise in bulk. Similar statutes have been passed in most of the States, and in a majority of the jurisdictions where attacked as in conflict with State or Federal constitutions, have been declared constitutional.² But the courts of a few States have held statutes on this general subject unconstitutional, either because they preferred creditors, or because they interfered with the enjoyment of property under the State constitutions, or because they were in violation of the Fourteenth Amendment of the Federal Constitution in depriving persons of property without due process of law.³ In New York and Ohio, where such statutes were originally declared to be invalid, they were amended so as to overcome the objections.⁴ The aim of the statutes is to prevent the sale of an entire stock of goods until the creditors of the vendor have been satisfied.

In California the matter is regulated by Section 3440 of the Civil Code. That statute has had an interesting development. As enacted in 1872, it was intended to settle the celebrated question of the common law,⁵ how far the retention of possession of personal property by the seller was fraudulent as to third parties. In 1895, the statute was amended and the first proviso added.⁶ In 1903,⁷ the last three provisos of the section were added to cover a situation covered in many States by a separate statute. These provisos regulate the transfer of a stock in trade in bulk for the protection of the creditors of the vendor by requiring that notice of such sale must be recorded five days before the sale. The California statute is stronger in terms than the statutes in most of the other states in that it declares that all transfers not made in compliance with its provisions "will be conclusively presumed to be fraudulent and void as against the existing creditors." The constitutionality of this statute does not seem to have been passed upon by the courts of this State. M. C. L.

¹ *Noble v. Fort Smith Wholesale Grocery Co.* (Sept. 26, 1911), 127 Pac. 14.

² 2 L. R. A. (N. S.), 331 note; Williston on Sales, Sec. 643 and cases cited; *Lemieux v. Young* (1909), 211 U. S. 489.

³ *McKuster v. Sager* (1904), 163 Ind. 671, 72 N. E. 854, 68 L. R. A. 273, 106 Am. St. Rep. 268; *Wright v. Hart* (1905), 182 N. Y. 330, 75 N. E. 404, 2 L. R. A. (N. S.) 338; *Miller v. Crawford* (1904, 70 Ohio St. 207, 71 N. E. 631.

⁴ New York Acts of 1907, c. 772; Ohio Act of April 30, 1908.

⁵ Statute 13 Eliz., c. 5; *Twynnes Case* (1601), 3 Coke 80 b; *Tregear v. Etiwanda Water Co.* (1888), 76 Cal. 537.

⁶ Stats. of California 1895, p. 47.

⁷ Stats. of California 1903, p. 111.